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KARL MORELL

RECORDATION NO. 22882-A FILED

NOV 29 '05

11-13 AM

SURFACE TRANSPORTATION BOARD

kmorell@bjllp.com

November 29, 2005

The Honorable Vernon Williams
Secretary
Surface Transportation Board
1925 K Street, N.W., Suite 700
Washington, DC 20423-0001

Dear Secretary Williams:

Enclosed are two (2) originals of the document described below to be recorded pursuant to 49 U.S.C. § 11301.

The document is Amendment No. 1 To Security Agreement ("Amendment"), a secondary document, dated as of September 15, 2005. The primary document to which the Amendment is connected is recorded under Recordation No. 22882. We request that this document be recorded under Recordation No. 22882-A.

The name and address of the parties to the Amendment are:

Secured Party:

Bank of America, N.A.
550 W. Main Street
Knoxville, TN 37902

Grantor:

Gandy Dancer, Inc.
6100 Southwest Blvd., Suite 320
Fort Worth, TX 76109

A description of the equipment covered by the Amendment consists of: all rolling stock and locomotives of Grantor, whether now existing or hereafter acquired, including the rolling stock and locomotives listed on Exhibit A of the Amendment.

BALL JANIK LLP

The Honorable Vernon Williams
November 29, 2005
Page 2

A fee of \$33.00 is enclosed. Please return the original to:

Karl Morell
Of Counsel
Ball Janik LLP
Suite 225
1455 F Street, N.W.
Washington, DC 20005

A short summary of the document to appear in the index follows: Amendment No. 1 To Security Agreement between Bank of America, N.A., 550 W. Main Street, Knoxville TN 37902 and Gandy Dancer, Inc., 6100 Southwest Blvd., Suite 320, Fort Worth, TX 76109.

Sincerely,

A handwritten signature in black ink, appearing to read 'Karl Morell', written in a cursive style.

Karl Morell

Enclosures



NOV 29 '05 11-13 AM

SURFACE TRANSPORTATION BOARD

AMENDMENT NO. 1 TO SECURITY AGREEMENT

This Amendment No. 1 to Security Agreement (this "Amendment") dated as of September 15, 2005, is by and between **Bank of America, N.A.** ("Bank") and **Gandy Dancer, Inc.**, a Delaware corporation ("Grantor").

RECITALS

A. Bank has extended a line of credit in the amount of \$2,000,000 to Grantor pursuant to a Credit Agreement dated as of March 24, 2000, as amended by a Modification of Revolving Credit Facility Loan Documents dated as of July 31, 2002 (the "First Modification"), a letter dated March 24, 2005, a letter dated June 24, 2005, a letter dated August 15, 2005 and a Second Modification of Revolving Credit Facility Loan Documents dated as of September 15, 2005 (the "Second Modification" and collectively, the "Credit Agreement");

B. The Credit Agreement is secured by a pledge by Grantor of certain Collateral as set forth in that certain Security Agreement between Grantor and Bank dated as of March 24, 2000, as amended by the First Modification and the Second Modification (the "Security Agreement");

C. Grantor and Bank desire to amend the Security Agreement as set forth below.

AGREEMENT

1. Definitions. Capitalized terms used but not defined in this Amendment shall have the meaning given to them in the Security Agreement.

2. Amendment to the Security Agreement: The Security Agreement is amended by deleting Exhibit A in its entirety and substituting in lieu thereof a new Exhibit A in the form attached to this Amendment.

3. Representations and Warranties. When Grantor signs this Amendment, they represent and warrant to Bank that: (a) there is no event which is, or with notice or lapse of time or both would be, an Event of Default under the Security Agreement, (b) the representations and warranties in the Security Agreement are true as of the date of this Amendment as if made on the date of this amendment, (c) this Amendment does not conflict with any law, agreement, or obligation by which Grantor is bound, and (d) this Amendment is within Grantor's powers, has been duly authorized, and does not conflict with any of Grantor's organizational papers.

4. Confirmation of Collateral. Grantor hereby: (i) confirms to Bank all security interests and liens heretofore granted by Grantor to the Bank under the Security Agreement, and (ii) acknowledges and agrees that the Obligations continue to be secured by the Collateral pursuant to the terms of the Security Agreement, as amended hereby.

5. Effect of Amendment. Except as provided in this Amendment, all of the terms and conditions of the Security Agreement shall remain in full force and effect. All references to the

Security Agreement in any documents executed in connection therewith or the Credit Agreement shall refer to such Security Agreement as amended hereby.

6. Governing Law. This Amendment shall be governed by and construed in accordance with the internal laws of the state provided for in the Security Agreement without reference to conflict of law principles.

7. Counterparts. This Amendment may be executed in counterparts, each of which when so executed shall be deemed an original, but all such counterparts together shall constitute but one and the same instrument.

8. Notice of Final Agreement.

THE SECURITY AGREEMENT AND THIS WRITTEN MODIFICATION AND THE OTHER LOAN DOCUMENTS REPRESENT THE FINAL AGREEMENT BETWEEN THE PARTIES AND MAY NOT BE CONTRADICTED BY EVIDENCE OF PRIOR, CONTEMPORANEOUS OR SUBSEQUENT ORAL AGREEMENTS OF THE PARTIES. THERE ARE NO UNWRITTEN ORAL AGREEMENTS BETWEEN THE PARTIES.

Grantor

GANDY DANCER, INC.

By: Christopher A. Burt

Title: President

Bank:

Bank of America, N.A.

By: John M. Hall

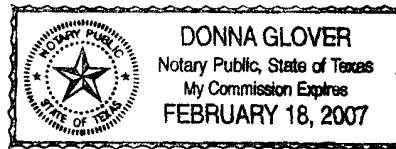
Title: Senior Vice President

STATE OF TEXAS
COUNTY OF TARRANT

On this 13th day of September, 2005 before me personally appeared Christopher Bertel, to me personally known, who being by me duly sworn, says that he is President of Gandy Dancer, Inc., a Delaware corporation, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Donna Glover
Notary Public

My Commission Expires: 2-18-07



STATE OF TENNESSEE
COUNTY OF KNOX

On this 15th day of September, 2005, before me personally appeared John M. Hall, to me personally known, who being by me duly sworn, says that he is Sr. Vice President of Bank of America, N.A., a national banking corporation organized under the laws of the United States and that he as such Sr. Vice President, being authorized so to do, executed the foregoing instrument for the purpose therein contained, by personally signing the name of the Bank by John M. Hall as such Sr. Vice President.

Donna R. Phillips
Notary Public

My Commission Expires: My Commission Expires 02/04/07

Exhibit A

**Gandy Dancer, Inc.
Rolling Stock, Boxcars and Locomotives**

Rolling Stock and Boxcars:

Item #	Road ID	Road No.	Steel Stencil #	AAR Type / Description	Acquisition Date	9/9/2005 Operational Status
1	NCRC	9992			10/24/1995	at INPR in service
2	NCRC	9993			10/24/1995	at NCRC in service
3	NCRC	9994			10/24/1995	at WTJR in service
4	NCRC	9995			10/24/1995	at NCRC in service
5	NCRC	7000			7/15/1995	at WTJR in service
6	NCRC	7008			7/15/1995	at WTJR in service
7	NCRC	7010			7/15/1995	at WTJR in service
8	NCRC	7020			7/15/1995	at WTJR in service
9	NCRC	7022			7/15/1995	at WTJR in service
10	NCRC	7031			7/15/1995	at WTJR in service
11	NCRC	7036			7/15/1995	at WTJR in service
12	NCRC	7039			7/15/1995	at WTJR in service
13	NCRC	7040			7/15/1995	at WTJR in service
14	NCRC	7053			7/15/1995	at WTJR in service
15	NCRC	7061			7/15/1995	at INPR in service
16	NCRC	7069			7/15/1995	at INPR in service
17	NCRC	7073			7/15/1995	at INPR in service
18	NCRC	7074			7/15/1995	at INPR in service
19	NCRC	7003			1/19/1996	at NOGC in service
20	NCRC	7009			1/19/1996	at NOGC in service
21	NCRC	7013			1/19/1996	at NCRC in service
22	NCRC	7035			1/19/1996	at NCRC in service
23	NCRC	7043			1/19/1996	at NCRC in service
24	NCRC	7044			1/19/1996	at NOGC in service
25	NCRC	7062			1/19/1996	at NCRC in service
26	NCRC	7075			1/19/1996	at NCRC in service
27	NCRC	7081			1/19/1996	at NCRC in service
28	NCRC	1030			3/31/2000	at NCRC in service
29	NCRC	1031			3/31/2000	at NCRC in service
30	NCRC	1032			3/31/2000	at NCRC in service
31	NCRC	1033			3/31/2000	at NCRC in service
32	NCRC	1034			3/31/2000	at NCRC in service
33	NCRC	1035			3/31/2000	at NCRC in service
34	NCRC	1036			3/31/2000	at NCRC in service
35	NCRC	1037			3/31/2000	at NCRC in service
36	NCRC	1038			3/31/2000	at NCRC in service
37	NCRC	1039			3/31/2000	at NCRC in service
38	NCRC	1040			3/31/2000	at NCRC in service
39	NCRC	1041			3/31/2000	at NCRC in service
40	NCRC	1042			3/31/2000	at NCRC in service
41	NCRC	1043			3/31/2000	at NCRC in service
42	NCRC	1044			3/31/2000	at NCRC in service
43	NCRC	1045			3/31/2000	at NCRC in service
44	NCRC	1046			3/31/2000	at NCRC in service
45	NCRC	1047			3/31/2000	at NCRC in service
46	NCRC	1048			3/31/2000	at NCRC in service
47	NCRC	1049			3/31/2000	at NCRC in service
48	NCRC	1050			3/31/2000	at NCRC in service
49	NCRC	1051			3/31/2000	at NCRC in service
50	NCRC	1052			3/31/2000	at NCRC in service
51	NCRC	1053			3/31/2000	at NCRC in service
52	NCRC	1054			3/31/2000	at NCRC in service
53	NCRC	1055			3/31/2000	at NCRC in service
54	NCRC	1056			3/31/2000	at NCRC in service
55	NCRC	1057			3/31/2000	at NCRC in service
56	NCRC	1058			3/31/2000	at NCRC in service
57	NCRC	1059			3/31/2000	at NCRC in service
58	NCRC	1060			3/31/2000	at NCRC in service
59	NCRC	1061			3/31/2000	at NCRC in service
60	NCRC	1062			3/31/2000	at NCRC in service

Gandy Dancer, Inc.
Rolling Stock, Boxcars and Locomotives

Rolling Stock and Boxcars:

Item #	Road ID	Road No.	Steel Stencil #	AAR Type / Description	Acquisition Date	9/9/2005 Operational Status
61	NCRC	1063			3/31/2000	at NCRC in service
62	NCRC	1064			3/31/2000	at NCRC in service
63	NCRC	1065			3/31/2000	at NCRC in service
64	NCRC	1066			3/31/2000	at NCRC in service
65	NCRC	1067			3/31/2000	at NCRC in service
66	NCRC	1068			3/31/2000	at NCRC in service
67	NCRC	1069			3/31/2000	at NCRC in service
68	NCRC	1070			3/31/2000	at NCRC in service
69	NCRC	1071			3/31/2000	at NCRC in service
70	NCRC	1072			3/31/2000	at NCRC in service
71	NCRC	1073			3/31/2000	at NCRC in service
72	NCRC	1074			3/31/2000	at NCRC in service
73	NCRC	1075			3/31/2000	at NCRC in service
74	NCRC	1076			3/31/2000	at NCRC in service
75	NCRC	1077			3/31/2000	at NCRC in service
76	NCRC	1078			3/31/2000	at NCRC in service
77	NCRC	1079			3/31/2000	at NCRC in service
78	NCRC	1080			3/31/2000	at NCRC in service
79	NCRC	1081			3/31/2000	at NCRC in service
80	NCRC	1082			3/31/2000	at NCRC in service
81	NCRC	1083			3/31/2000	at NCRC in service
82	NCRC	1084			3/31/2000	at NCRC in service
83	NCRC	1085			3/31/2000	at NCRC in service
84	NCRC	1086			3/31/2000	at NCRC in service
85	NCRC	1087			3/31/2000	at NCRC in service
86	INPR	2013		Pullman Parlor Car - Emmett Bar Car	5/1/1999	In Service INPR
87	INPR	2014		Pullman Parlor Car - Banks Concession Car	5/1/1999	In Service INPR
88	NOGC	2901		Pullman Passenger Cars	5/1/1999	Derailment Claim
89	INPR	2931		Pullman Passenger Car - Gardena Coach	5/1/1999	In Service INPR
90	INPR	2941		Pullman Parlor Car - Cascade Bar Car	5/1/1999	In Service INPR
91	NOGC	2945		Pullman Passenger Cars	5/1/1999	Derailment Claim
92	INPR	2953		Pullman Passenger Cars - Montour Coach Car	5/1/1999	In Service INPR
93	INPR	2969		Pullman Passenger Cars - HSB Coach Car	5/1/1999	In Service INPR
94	INPR	TBD		Swingmaster Model 181 T Swingloader	2/29/2000	In Service INPR
95	NCRC	TBD		Jackson 6700 Tamper	6/1/2000	In Service NCRC
96	NCRC	TBD		Kershaw 26-3 Ballast Regulator	9/5/2000	In Service NCRC
97	DJBX	800346		Private Business Car "TEXAN"	12/19/1996	In Service NCRC

Locomotives:

Item #	Road ID	Road No.	Serial #	Model	Acquisition Date	9/9/2005 Operational Status
1	NCRC	2086		GP- 7	6/20/1995	In Service NCRC
2	WTJR	2101		GP- 7	6/20/1995	In Service NCRC
3	WTJR	2106		GP- 7	6/20/1995	In Service NCRC
4	WTJR	2058		GP- 7	7/21/1996	In Service NCRC
5	INPR	2074		GP- 7	6/20/1995	In Service INPR
6	INPR	2094		GP- 7	6/20/1995	In Service INPR
7	INPR	1108		F-10	1/1/2000	Out of Service INPR/TML
8	NCRC	1150		F-10	1/1/2000	In Service INPR/TML
9	INPR	1106		F-10	1/1/2000	In Service INPR/TML
10	NOGC	1105		F-10	1/1/2000	Out of Service INPR/TML
11	INPR	1112		F-10	1/1/2000	In Service INPR/TML
12	NOGC	1744		Steam Engine	5/1/2000	Out of Service NOGC
13	NOGC	500	5270-1	GP- 7	6/23/2003	In Service NOGC
14	NOGC	501	6297-4	GP- 7	6/23/2003	In Service NOGC
15	WTJR	504	5074-10	GP- 7	6/23/2003	In Service NOGC
16	NOGC	505	5186-7	GP- 7	6/23/2003	In Service NOGC
17	WTJR	506	5091-7	GP- 7	6/23/2003	In Service WTJR
18	NOGC	507	5280-4	GP- 7	6/23/2003	In Service NOGC